RAJYA SABHA

Wednesday the 22nd December, 1993/ 1 Pausa, 1915 (Saka)

The House met at eleven of the clock, *The Deputy Chairman* in the chair.

ORAL ANSWERS TO QUESTIONS

Estimated cost of railway bridge across Thane Creek, Bombay

*281. SHRI JOHN F. FERNANDES: Will the Minister of RAILWAYS be pleased to state:

(a) the estimated cost of the railway bridge constructed across the Thane Creek in Bombay for the Metropolitan Railway Transport Project, as per the original project estimates;

(b) the actual tendered cost of the bridge by the successful tenderer on the basis of which the tender was awarded;

(c) the final actual payments made for all the work connected with the bridge within the awarded contracts;

(d) whether payments were made over and above the tendered cost; and

(e) if so, what were those additional payments and under what authority they have been made?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI K.C. LENKA): (a) to (e) A statement is laid on the Table of the Sabha.

Statement

Estimated cost of railway bridge across Thane Creek, Bombay

(a) Rs. 22.70 crores.

(b) Rs. 12.34 crores.

(c) Rs. 21.54 crores.

(d) Yes. Sir.

(e) Additional payments:

(i) Works executed through subsidiary agreements—Rs. 2,87,52,096.

(ii) Escalation in terms of contract—Rs. 1,50,97,619.

(iii) Sales Tax in terms of contract—Rs. 20,40,615.

(iv) Arbitration award—Rs. 5,43,05,088. Additional payments were made in terms of contract condition and with the approval of Competent Authority.

SHRI JOHN F. FERNANDES: Madam, the hon. Minister has conceded that the railways had to spend an exorbitant amount. If you see the difference between the original tender and what is paid, it is almost double. Again, we have seen that through arbitration the railways have paid about Rs 5.5 crores additionally. My purpose of putting the question was to say that there is some fraud committed by the railways. They had no money to pay to this contractor, and just before they could start the Konkan Railway Corporation the Railway Ministry conceded that the very same contractors will be compensated provided they go and build some bridges in Goa for the Konkan Railway. Therefore there is some fraud, and in Goa the original alignment has been changed to the costal area. Will the hon. Minister be kind enough to inform me whether the contractor of the Thane Creek bridge and the Konkan Railway bridge in Goa is one and the same and whether the payment has been made to this contractor from the Konkan Railway corporation's funds?

SHRI K.C. LENKA: Madam Deputy Chairman, there is no fraud in the construction work of the Thane Creek bridge. Actually, I would like to explain this subject, which will clarify the position. This is about construction of the Thane Creek bridge of the Mankurd-Belapur railway link project. When the tender was announced and the contractors submitted the tenders, it was found that M/s AFCON, the company, submitted a tender with its own design which was below the original estimated

tender cost. After analysis it was found that the company submitted design with improved technology and it has brought some changes in the working process also which resulted in the lower cost of the tender, and that tender was accepted. After that, other changes have been brought in the working process and changes have been brought in the design itself. That is why the contractor had to make an additional agreement for additional items, and payments have been made for those additional items of work.

SHRI JOHN F. FERNANDES: The first part of my question has not been answered.

SHRI K.C. LENKA: Madam, as regards... (*Interruptions*)... I am coming to that.

THE DEPUTY CHAIRMAN: He is answering.

SHRI K.C. LENKA: Madam, as regards the Konkan Railway, this particular company has been entrusted with a new bridge on the Konkan Railway, but I have no information how from a different project money can be given to another project that the contractor has competed in Maharashtra. I have no information, and if the hon. Member can provide me with some information, I can inquire into it.

SHRI JOHN F. FERNANDES: I am glad that the hon. Minister has said that the same company, the AFCONS, which constructed this bridge at Thane prior to the Konkan Railway Bridge, was given three bridges in Goa. These three bridges were not supposed to be built in Goa because this was not the alignment. The alignment was the hinterland. My charge here is that the Railway department could not pay Rs.2 crores to this Company because they made some miscalculation somewhere. Just to compensate this particular firm, it was sent to Goa to construct the bridges so that they could be compensated for the Rs.2 crores which was miscalculated here and there. So, I want the Government to conduct an enquiry into it and to see how the three bridges were allotted in Goa when they were not on the route of the Konkan Railways. So, I feel that there is a big fraud here. So, I want an assurance from the hon. Minister that an impartial inquiry, preferably by the CBI, would be conducted into it. I will provide all the information to this inquiry Committee. I want an assurance from the hon. Minister.

SHRI K.C. LENKA: Madam, bridge works are being given to contractors on merit. They come through the tender process. They are screened by a multitier, experts committee and then finalised. The AFCONS Ltd. has also been given two or three bridges in the Konkan Railways on merit. But the hon. Member has said that some money had to be paid by the Konkan Railways to the contractor. This information is not with me. I said, "If he has got some papers regarding this, he can give them to me. I can enquire into it."

SHRI JOHN F. FERNANDES: Madam, I don't want a ministerial enquiry. I want an independent enquiry. I want an inquiry by the CBI. The charge is against the Department. How can the Minister sit on judgement on it? So, I want a separate, independent inquiry, preferably by the CBI. I volunteer myself to submit all the information to that inquiry. This assurance I want from the Hon.. Minister.

SHRI K.C. LENKA: Madam, the allegation is not with me. The hon. member has not submitted the allegation to me. Let him submit the allegations against the contractor to me.

THE DEPUTY CHAIRMAN: There are no allegations.

SHRI JOHN F. FERNANDES: I will submit all the records to the Minister.

THE DEPUTY CHAIRMAN: You please do that.

SHRI JOHN F. FERNANDES: Will he assure the House that he will have an inquiry by the CBI into the matter? The Minister cannot sit in judgement on it.

THE DEPUTY CHAIRMAN: He will look at the extent of the allegation, I suppose.

SHRI JOHN F. FERNANDES: Okay.

THE DEPUTY CHAIRMAN: You first supply your information to him. Then, let us see what he feels about having an inquiry by the CBI or otherwise.

Shri S.K.T. Ramachandran.

SHRI S.K.T. RAMACHANDRAN: Madam, the hon. Member, Shri Fernandes, has brought out a particular case. It seems that he has got some suspicion of irregularities in this work. He says that he is having some evidence also. I cannot understand why the particular contractor had to revise the estimates and revise the project. Why did the Ministry of Railways or the concerned authorities not contemplate the fullest implications of the scheme and the project? Why did the contractor come with a revision? Why should the Railways give room for such a suspicion of irregularities in this particular case and such cases in general in regard to works? Why should the Government set up a high-level committee to go into such aspects and try to stop repetition of such irregularities?

Thank you.

SHRI K.C. LENKA: Madam, as per the information at the moment, there is no irregularity in this job. The point is that the Thane Creek Bridge is the first railway bridge in India to have the largest PSC girder span, that is, 53.5 metres. This is the first of its kind in India. While the Railways has estimated to have this bridge, they could not foresee the changes. They could not foresee this improved technology at that time. They had made it in the conventional way. When tenders had been called the contractors were asked to give their own designs with their own rates. They have given these. So, after the execution started, so many changes have been brought forward in the working process. For that the contractor had to spend more money. That has been finalised and the contractor has been paid that money. If there is some irregularity, as I have already told the hon. Member, let them give me the information. I will inquire into that.

THE DEPUTY CHAIRMAN: What are the changes?

SHRI K.C. LENKA: They are changes in the design. At the time of preparing the estimated cost, the number of well-foundations was 52. It was subsequently reduced to 36 with the contractor's technology. Similarly in the estimated cost prepared by the Railways, the number of PSC box girders was 96 with 35.66 metre spans. It was subsequently reduced to 64 numbers with 53.5 metres. There was another change also. When construction of the bridge involving blasting of rocks in the river-bed was started, the Maharashtra PWD authorities advised the railways that blasting of rocks in those locations should not be resorted to unless specific clearance for this prupose was obtained from the Central Water and Power Research Station, Pune, because such blasting was likely to adversely affect the safety of their road bridge which was in a distress condition. After consultation with the CWPRS authorities, an administrative decision was taken not to go in for blasting at that location. M/s M.S. AFCONS accordingly modified their scheme of well-sinking with a view to avoid the blasting part. This also is a change. Like that so many changes had been brought about during the process of the work. For that an extra payment had to be made.

SHRI S.K.T. RAMACHANDRAN: The hon. Minister has not replied to part (b) of the question.

THE DEPUTY CHAIRMAN: That is why I advise the Members to put only (a) part of the question. By the time part (a) is over, part (b) is forgotten.

SHRI S.K.T. RAMACHANDRAN: What steps have the Government taken to stop such irregularities in future? Are

they going to set up a high-level committee?

THE DEPUTY CHAIRMAN: He does not admit that thing.

SHRI K.C. LENKA: According to the papers that I have got, I do not see any irregularity here.

श्री मोहिन्दर सिंह कल्याण: मैडम, मैं वजीर साहब से पूछना चाहता हूं कि पंजाब में "जगरांव" एक सब डिविजन है, जहां पर एक पुल बनना था, जिसके लिए काफी अरसे से टेंडर हो चुके हैं और उसमें पंजाब सरकार द्वारा जो रुपए का अपना हिस्सा डालना था, वह भी डाल दिया गया है, लेकिन न मालूम कई सालों से रुका हुआ यह पुल अभी तक क्यों नहीं बना? जबकि "जगरांव" में एशिया की सबसे बड़ी अनाज की मंडी है और यहां पर ट्रेफिक एक-एक घंटे रुका रहता है।

THE DEPUTY CHAIRMAN: Mr. Kalyan, This is a specific question about one particular railway, the Konkan Railway.

पंजाब के क्वेश्चन के लिए आप दूसरा नोटिस भेज दीजिए, आपका वह सवाल जरूर पुछवा देंगे।

SHRI GOVINDRAO ADIK: Just now the hon. Minister has stated that these over-payments were required to be made to the contractor on account of changes in the design of the bridge itself. But it is also revealed from the reply given by him that a big amount was paid to the contractor on account of escalation. And this escalation was required to be paid becuase there was a lot of delay in the completion of the work. So, I would like to know why this delay was caused, who was responsible for this delay and how much extra amount was paid to the contractor on account of the delay.

SHRI K.C. LENKA: There was no such big delay in completing this work. It was to be completed in 1990 and it was actually completed in 1991. You know, the bridge has been recently inaugurated. There is not much delay in completing this work. But about the escalation, there is a provision in the tender and in the agreement. You know the prices rise of so many things. There is a clause in the tender and in the agreement itself that if there is an escalation, that would be considered. Increase in the sales-tax, that has been given. There is nothing new.

Commercial Exploitation of unused Railway Lands

*282. SHRI SURESH KALMADI:
SHRI GOVINDRAO ADIK:

Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that Government have recently instructed the Zonal Railways to work out schemes for commerical exploitation of unused railway lands to augment revenues;

(b) if so, what are the details of unused lands and locations thereof; and

(c) what is the estimated revenue to be earned annually by the Railways on account of commercialisation of such lands?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI K.C. LENKA): (a) Yes, Sir. These instructions enjoin upon the Zonal Railways to prepare schemes for property development for utilising air-space over existing railway establishments and unused railway lands.

(b) and (c) Railways have about 60,000 hectare of land which is presently unutilized. Most of this land is in the form of a narrow ribbon along the track and has little commercial value.

Zonal Railways have been instructed to identify suitable locations for development of air-space and to assess the likely revenue which these schemes would generate.

SHRI SURESH KALMADI: Madam, it is a good thing that Railways are going to give unused railway lands on lease for generating money for the development of the Railways. After the commencement of "Commercial exploitation of unused

*The Question was actually asked on the floor of the House by Shri Suresh Kalmadi.